

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7622

BILL NUMBER: SB 322

NOTE PREPARED: Feb 17, 2005

BILL AMENDED: Feb 10, 2005

SUBJECT: Local Spending on Criminal Defense.

FIRST AUTHOR: Sen. Bray

FIRST SPONSOR: Rep. Foley

BILL STATUS: As Passed - Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill provides that a county, municipality, township, or municipal corporation may not pay the legal expenses of an employee or officer to defend against a criminal action, certain civil actions, or a proceeding in which the employee or officer is charged with an infraction. It requires reimbursement of the reasonable expenses of the employee or officer (as determined by the local unit) if the employee or officer is found to have no criminal or civil liability.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) For local units of government, any costs incurred will depend on whether legal expenses are already being paid by a unit. If so, this bill could limit the expenses incurred by a local unit to those paid only when the defendant's charges are dropped or if the defendant wins the case. However, the bill would require a local unit to reimburse legal defense expenses that otherwise would not have been reimbursed for that unit's employee or officer.

Background -- Current law is silent on whether local units of government are required to pay for the criminal defense costs of local employees and officials. During CY 2004, the Office of the Attorney General opened 48 cases against local units of government where the State Board of Accounts identified financial irregularities.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Counties, municipalities, townships, or municipal corporations.

Information Sources: Office of the Attorney General.

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